ENERGY EFFICIENCY & RESOURCE MANAGEMENT COUNCIL

Minutes—June 4, 2009

Conference Room C, Department of Administration

Chairman Ryan called the meeting to order at 3:45 PM

Members Present: Joe Cirillo, Vic Allienello, Joe Newsome, Andrew Dzykewicz, Chris Powell, Paul Ryan and Sam Krasnow

Others Present: David Brown, Tom Teehan and Jeremy Newberger (by teleconference)

Staff Present: Janet Keller, Matt Guglielmetti and Charles Hawkins

Consultants: Scudder Parker, Mike Guerard and Betsy Harper

Chairman Ryan introduced the VEIC team to give a presentation on Potential Infrastructure Capacity Issues for RI. He asked that questions be reserved for after the presentation.

Scudder introduced Betsy Harper as another member of the VEIC RI team. The presentation will address both the Residential and C&I sectors and deal with the availability of personnel and products. Their initial findings will be presented today and will continue on 6/29

with more RI-specific data and include coordination with the RIDLT.

VEIC partnered with Kevin Doyle of Green Economy who has already been monitoring these issue in Massachusetts and was willing to share modeling data. VEIC applied Mass. info to RI. VEIC has also been in contact with the RIDLT.

Mike Guerard will report on the residential sector. Betsy Harper reported on the C&I sector plus product availability and Scudder will finish with next steps.

Mike G. said it was not that dire in Mass. with regard to the supply issue Mass. energy funding is close to ten times that of RI according to a chart Mike G. provided.

Andy D. mentioned a CCRI program to train BPI certified auditor with 3 classes of 30 apiece. However, Janet K. mentioned that no one has been lined up to do the field tests creating a bottleneck.

Joe C. mentioned we might need a type of military training instead of college type training for jobs like installers and auditors..

Mass. has very aggressive goals and want to go deeper with EE. They changed the assumption of their model to further ramp up their EE efforts. The largest short term need is creating a boot camp (3 days) for contractor transitioning into the EE industry. Long term, the need

is to create a training institute and a high school Voc Tech to support the new "green collar workforce". A NYSERTA Hudson Valley CC Program was given as an example.

Andy D. noted the conflicting goals between LCP and ARRA guidelines. ARRA is really "bang for the buck" and not all cost effective. Paul R. mentioned manufacturing widows as putting people to work, an ARRA goal, but windows may not be the most cost effective EE.

Janet K. talked about metrics and where RI is versus Mass. or NY regarding resources. Mass. has computer system for cities & towns to submit grants. Did VEIC look into this? How are other states measuring baselines? Andy D. said a sophisticated tracking system is needed to measure baseline metrics. Chris P. said that Brown has a tool to track all of the EE projects but also track energy consumption in all buildings which is hard to do, especially if a cool summer is followed by a hard summer and there are no savings.

Joe C. felt it is hard to compare RI & Mass. because places like Boston are so much bigger than anything in RI. Mike G. said that this was true in the C&I end in Mass.; but not so much in the residential. Scudder P. mentioned that the ratio is 10-1 between Mass. & RI EE spending levels.

VEIC's Betsy H. then began the C&I presentation. VEIC interviewed

ESCOs, expeditors and agents, and specialized installers in their survey. The overall conclusion was that all vendors welcome growth and are anticipating it by ramping up. There is no apparent shortages of laborers or installers.

However, shortages are anticipated, perhaps severe, in high expertise engineering roles and this is echoed by all vendor groups, including ESCOs. There is a long lead time for training and college engineering programs tend to be very specific and don't focus on EE. Chris P. said there is an accreditation problem for colleges with engineering programs having to offer certain courses with little room for independent type courses.

Joe C. mentioned a WW2 Navy engineering recruiting program. He feels we need legislative help to get this accomplished in the NE region. Chris P. suggested a post grad scholarship. Andy D. reminded the council that ARRA was only a three year funding cycle. College training will not help in time. Chris P. suggested using out of work design professional. Andy D. made a policy suggestion to concentrate on residential EE in the ARRA cycle if the C&I sector is unable to ramp up.

Sam K. said it is possible to shift focus from C&I to residential.

Jeremy N. mentioned an engineering opening that NGRID that generated 20 resumes. He sees a movement by engineers to EE

work. College grads are seeing that he action is in EE not designing video games. He is reluctant to move funding from C&I to residential. Betsy H. asked Jeremy N. if there a movement among NGrid away from energy use to EE. He could not say for sure. Chris P. sees this interest in EE to be a good thing to grow the EERMC's EE programs.

Betsy then began the Products and Material Availability Segment by saying that in no category were supply barriers identified that would prevent a smooth ramp up. Companies are building infrastructure for the growth to triple sales. The technology curve for lighting is moving rapidly with design and production occurring mostly in China.

Andy D. mentioned that ARRA requires US manufacturing, eliminating a lot of lighting potential.

Scudder then took over to offer next steps and recommendations. VEIC will continue to work with Kevin Doyle & NGrid and report at the 6/29 meeting with more calibrated models for RI. Chris P. asked if the ratio between gas and oil customers is similar in RI, Mass & Conn. It is similar, with Conn. having 52% oil and Mass. 38%. It is 42% in RI.

Paul R. mentioned a Sen. Reed meeting with solar people who talked about the RI provision that requires every apprentice needs to have a licensed electrician train him on a 1-1 ratio. They want the Assembly to changed it to 3-1 so there can be more licensed installers and Paul

R. thought that it was a good idea. Vic A. said that labor wants it to be 1-1. Paul R. said this was a critical issue and you will never get enough licensed electricians with 1-1 ratio.

Joe C. suggested sending a memo to the committee that has jurisdiction on the 1-1 ratio. Paul R. thought that made sense. Andy D. said that unless the EERMC is willing to lobby it would be hard to change this provision.

VEIC will reach out to the RIDLT to discuss green job training. Does EERMC want them to do that? Andy D. said yes, Sandra Powell is very approachable.

Joe C. reiterated his desire for the council to try to get 1-1 ratio changed because of the great need for installers. He feels that the council has to have a dialogue with the Assembly about this issue. Andy D. doubted new legislation could be introduced and passed at this late stage of the session.

Scudder P. urged a boot camp for residential EE partnering with NGrid. He also suggested partnering with RIDLT and develop positive synergy in green job training. An RFP has been issued by RIDLT for green job training. That ended the VEIC power point presentation

Tom Teehan then spoke of a recent NGrid filing for an increase in

distribution rates. A significant part of the filing is a de-coupling provision which goes with the EE ramp up. He then briefly describes the rational behind de-coupling and how it relates to the increase in the EE programs.

Paul R. recalled a 2008 meeting when it was suggested that the council be briefed on de-coupling so they can take an educated stand on the issue. Paul R. said that the council needs to hear the arguments on de-coupling. Paul wanted to get somebody from Grid and Sam K. to give a briefing and get it on the 6/29 agenda because the filing is currently before the PUC and the council should be ready to comment on it. Paul R. wanted to do the ramp up in July and do de-coupling on June 29th. After further discussion Paul suggested putting de-coupling on the July agenda with the primary focus of the June 29th meeting being an update on the progress of ARRA in RI.

Chris P. thought VEIC gave great presentation that gave the council a lot to think about.

Sam K. mentioned the work being done on Opportunity Report II. On site survey work is done is going ahead. The preliminary results should be in at the end of August with a goal of having the final results by the end of the year.

A motion was made to adjourn and it was seconded and passed unanimously. The meeting was adjourned at 5:20 PM